



Veteran Entrepreneur Portal

STARTING A BUSINESS

STEPS TO SUCCESS

There is no one right way to succeed in business. You don't have to be great to start, but you have to start to be great. It is a long and possibly expensive journey, but with perseverance and guidance, you can make it happen. A typical pathway to take during your start-up process is to follow these steps.

1. Prepare a written outline of your idea.

2. Establish your business structure. A business must be formed within some kind of legal framework. The law insists on it. Finding the correct legal form of doing business may be a challenging process, and each legal structure will affect the way you file your taxes. You will also need to register your business within your state. A [Small Business Development Center](#) can assist you with state registration forms. To learn more about legal structure and business tax concerns [click here](#) for IRS.gov

3. Prepare a business plan. This is a complex process that will become the blueprint of how you will run your business, market your business, and determine the funding requirements and viability of your new business. You can find a template for a business plan here: [Business plan outline](#)

4. Have a business counselor review your business plan. The Association of Small Business Development Centers offer free consulting and low cost training to help new entrepreneurs realize their dream of business ownership, and to assist existing businesses to remain competitive in the complex marketplace of an ever-changing global economy. To find the nearest SBDC to you, click on the following link: <http://www.asbdc-us.org/>

5. Implement the business plan The Small Business Administration's (SBA) website has information on starting a business at www.sba.gov .

6. Register your veteran-owned small business on the Vendor Information Pages (VIP) database (www.vetbiz.gov).



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VETERAN FRANCHISING OPPORTUNITIES

Is Franchising Right for You?

Do I have other priorities in my life? How do I feel about dealing with the public?

How do I feel about being stuck in one place? Is my territory the right one for this franchise?

Things to know about franchising

You should know about the status of the franchisors in the market before investing your money into the company. The type of training and support that the franchisor would provide should be clearly known.

What is VetFran?

To honor those men and women who have served in the U.S. military, the Veterans Transition Franchise Initiative, known as "VetFran," was developed to help them transition to civilian life. The idea of the late Don Dwyer Sr., founder of The Dwyer Group, VetFran is a voluntary effort of International Franchise Association member-companies that is designed to encourage franchise ownership by offering financial incentives to honorably discharged veterans. See more information at www.vetfran.com.

There are also other franchise opportunities available to veterans under the VetFran program visit <http://www.vetbiz.gov/start/fran.htm>. for more information. Also contact your local small business development center (visit <http://www.asbdc-us.org/index.html>).

NEARLY 1400 VETERAN-FRANCHISEES AND GROWING

Taking advantage of the financial incentives offered by participating companies, veterans, by early 2009, had acquired nearly 1400 franchises through the VetFran program and more than 200 were in various stages of negotiation.

FINANCIAL INCENTIVES

Due to the wide variety of franchises, the criteria for financial incentives is determined by the franchise system in a manner that allows the greatest flexibility for the system and, at the same time, offers veterans a better deal than is offered to otherwise qualified investors. Typically, VetFran participants offer discounts of their initial fees, but that is not a requirement. A current list of participating companies and the discounts these franchise systems offer is available on this Web site, www.franchise.org, under "[VetFran Directory](#)."



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Honoring U.S. Military Veterans with Opportunities for Small-Business Ownership

IFA's Veteran's Assistance Program Wins Coveted Summit Award

VetFran Incentives Pave Way for Multi-unit Operations

When Peter Turner decided to turn in his military uniform for civilian life in 2007, he began to explore business options. The International Franchise Association's VetFran program quickly popped up on his radar screen. After investigating several franchise opportunities, he picked Dunkin' Donuts.

But Turner didn't launch his entry into franchising in small way. The Minnesota native signed on to open a dozen units in the Raleigh-Durham, N.C. area and now he's ready to tackle operations in his hometown, recently making the commitment with several partners to develop more than 20 new restaurants in suburban Minneapolis.

Turner's agreement is a key element of Dunkin's strategy for the Twin Cities, where it continues to seek new franchisees to develop a minimum of 20 restaurants in four available areas. The franchise system offers franchisees a variety of designs and venues, including free-standing stores, sites within shopping centers and convenience stores, as well as other retail environments. The company has more than 7,900 restaurants in 30 countries worldwide. In 2007, Dunkin' Donuts' global system-wide sales were \$5.3 billion.

"I am proud to be the first to bring Dunkin' Donuts' to Minneapolis," said Turner. "We look forward to being a vibrant part of the community and playing an important role in the daily lives of the people who live and work here."

As an existing Dunkin' Donuts franchisee, Peter brings a wealth of knowledge to Minneapolis, and we think he'll be able to hit the ground running," said the company's Vice President of Franchising Lynette McKee, CFE. "We look forward to his presence in the market."

"Two hundred thousand servicemen and women separate from military service annually, and it's up to all of us ... whether in the public or private sector ... to help them start ... or re-start ... their civilian careers."

Former Secretary of Veterans Affairs Jim Nicholson



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VETERANS SCHOLARSHIP PROGRAM

The IFA Educational Foundation, with the generous support of Michael Seid & Associates LLC, Figaro's Italian Pizza, Luce Smith and Scott, Valpak Direct Marketing Systems, and The Dwyer Group has created a Veterans Scholarship Fund. The fund provides \$2,500 annual scholarships to a qualified veteran of the U.S. military, to encourage his or her pursuit of continuing education focused on entrepreneurial studies. [Click here](#) to learn more.

FINANCING

To speed and improve the process, the International Franchise Association serves as a conduit between veterans and the participating franchise systems, but does not engage in negotiations, nor does IFA provide financing or financial guidance. Many franchise systems offer financing, others help prospective franchisees locate the necessary capital to acquire a franchise.

Veteran Benefits

Another benefit the association provides to veterans is free entry to its trade shows in Washington, D.C., Los Angeles and Miami where they can view many business options, meet with company representatives and attend the "Franchising 101 for Veterans" seminar free of charge.

Little Caesars Veterans Program

The minimum requirements from Little Caesars are: \$50,000 in liquid, unencumbered assets (cash available, no lien or loan on money), VA Rating Letter or DD214, a county you are interested in opening the franchise, and a minimum net worth of \$150,000. Your net worth would be assets minus liabilities. If you meet the minimum requirements, please contact Lil Caesar's VetFran Program at 1-800-553-5776. To obtain copies of your military records please visit: <http://www.archives.gov/veterans/military-service-records/get-service-records.html>



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ACCESS TO CAPITOL

VA does not make loans or grants for the startup or expansion of a small business. The Small Business Administration (SBA) is the agency that has been tasked with small businesses financing, for which they have several loan programs established.

LOANS

All small business loans are determined **on a basis of credit-worthiness**. Financial institutions take into account several factors including: a business profile, description of how loan funds will be used, collateral offered, business financial statements and personal financial statements. Generally, small business loans are repaid in five to seven years. There are several SBA small business loan programs established, which are described on the SBA financing website at <http://www.sba.gov/financing/index.html>.

PATRIOT EXPRESS LOAN

On June 14th, 2007, SBA launched a loan program for Veterans called **Patriot Express**. Patriot Express is part of the SBA 7(a) small business loan program. More information can be found at

<http://www.sba.gov/patriotexpress>

IS THERE A LIST OF PREFERRED LENDERS?

Preferred Lenders are financial institutions chosen from among SBA's best lenders and have full delegation of lending authority for a lower rate of guaranty. Preferred lenders have a maximum SBA guarantee of 75%. Preferred lenders account for ten percent of SBA loans. The following web site <http://www.sba.gov/gopher/Local-Information/Certified-Preferred-Lenders/> will link you to the opening page on Certified and Preferred Lenders. The accompanying web page will provide you with a list of these lenders by geographical areas.



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GRANTS

Grants are a form of funding for specific federal research and social programs. Contrary to popular belief, there are no federal grants made specifically for the purpose of starting a business. Organizations can use the Grants.gov website to electronically find and apply for competitive grant opportunities from all Federal grant-making agencies. Grants.gov is THE single access point for over 900 grant programs offered by the 26 Federal grant-making agencies

WHAT IS NADCO?

The National Association of Development Companies (NADCO) is the trade association of Certified Development Companies (CDCs) - companies that have been certified by the Small Business Administration (SBA) to provide financing for small businesses under the Certified Development Company Economic Development Loan Program or the SBA 504 Program. The SBA 504 loan program was created for two reasons: (1) To provide financing to entrepreneurs who are ready to buy or build a facility, and (2) for the purpose of stimulating economic development through job creation, business growth and increased tax revenues. A simple way to describe an SBA 504 loan is as a mortgage for small business owners to "***purchase homes***" for their businesses. Visit <http://www.nadco.org/i4a/pages/index.cfm?pageid=3283> to find basic information on SBA 504 loans and how one can work for you!

WHAT ARE ECONOMIC DEVELOPMENT GRANTS/LOANS AND ARE THEY AVAILABLE TO VETERANS?

Economic development grants or loans are typically provided by municipal, regional or state agencies that target specific areas for new business. These loans are sometimes also provided by private concerns. The best place to locate these types of financing are through your state's economic development organization or through the Council for Urban Economic Development. In an effort to improve their local economies, most states, and many municipalities and counties, sponsor a variety of public funding sources for small business concerns. At the state level, nearly all states have some form of state economic development agency and/or state finance authority that make loans or loan guarantees to small businesses.



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STATE PROGRAMS:

State Commerce Departments often have direct or participating loan programs that may be even more attractive than SBA-guaranteed loan programs. Also, don't forget to check local colleges, universities, or trade schools to see if they have any small business assistance programs. Some institutions, with the help of public funding, provide business "incubator" programs that can include consulting, marketing, services, facilities, and financing opportunities to local businesses as part of the institution's business education program. These types of financing are available to everyone. You may also want to check with your local Veteran's Service Organization, such as the American Legion, to see if they know of anything specifically targeted at veterans in your area. Another place to find information on these types of financing is your local Small Business Development Center (SBDC).

VENTURE CAPITAL FUNDS

In some cases, **venture capital funds** or other private investors may invest in a startup company. All investment and lending decisions are made by the financial institutions.

FAMILY AND FRIENDS/COLLATERALIZED LOANS AND CREDIT CARDS

According to the SBA, the overwhelming majority of startups are financed by **family and friends, collateralized loans, and credit cards**.



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VOCATIONAL REHABILITATION AND EMPLOYMENT (WWW.VETSUCCESS.GOV)

The Department of Veterans Affairs can provide some financial assistance to disabled veterans who are starting a small business through the VocRehab program. If you have a service-connected disability of 10% or more, you can apply for the Vocational Rehabilitation & Employment Program to see if you qualify for assistance through their Self-Employment track. Qualification for this track is based solely on the decision made by your VocRehab counselor. This program is operated by the Veterans Benefits Administration. More information can be found on their website at <http://www.vba.va.gov/bln/vre/smbus.htm>.

Other Resources:

[Use your GI Benefits](#) [SCORE Business Counseling](#) [SBDCs Start up Assistance](#)

[VBDOs Planning](#) [VBOCs Development](#) [Free Online Courses](#) [Help Finding Financing](#)

BUSINESS START UP ASSISTANCE LINKS

SMALL BUSINESS ADMINISTRATION (www.SBA.gov)

The U.S. Small Business Administration dedicates its energy and resources to providing support to small businesses and small business owners across the nation. They have numerous resources for starting and expanding small businesses.

SMALL BUSINESS DEVELOPMENT CENTERS (www.asbdc-us.org)

The Small Business Development Centers (SBDCs) are partnerships primarily between the government and colleges/universities administered by the SBA and aims at giving educational services for small business owners and aspiring entrepreneurs.



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SERVICE CORPS OF RETIRED EXECUTIVES (SCORE) (www.score.org)

The SCORE Association is a nonprofit association comprised of volunteer business counselors throughout the U.S. and its territories. SCORE members are trained to serve as counselors advisors and mentors to aspiring entrepreneurs and business owners. These services are offered at no fee, as a community service.

VETERANS BUSINESS OUTREACH CENTERS (VBOP)

<http://www.sba.gov/content/veterans-business-outreach-centers>

The VBOP is designed to provide entrepreneurial development services such as business training, counseling and mentoring, and referrals for eligible veterans owning or considering starting a small business. The SBA has 16 organizations participating in this cooperative agreement and serving as Veterans Business Outreach Centers (VBOC).

WOMEN'S BUSINESS CENTERS (WBC'S)

<http://www.sba.gov/content/womens-business-centers>

WBCs are designed to assist women start and grow their small businesses, especially women who are economically or socially disadvantaged. WBCs offer comprehensive training and counseling.

PATRIOT EXPRESS PILOT LOAN INITIATIVE (PATRIOT EXPRESS LOAN)

(<http://www.sba.gov/content/express-programs>)

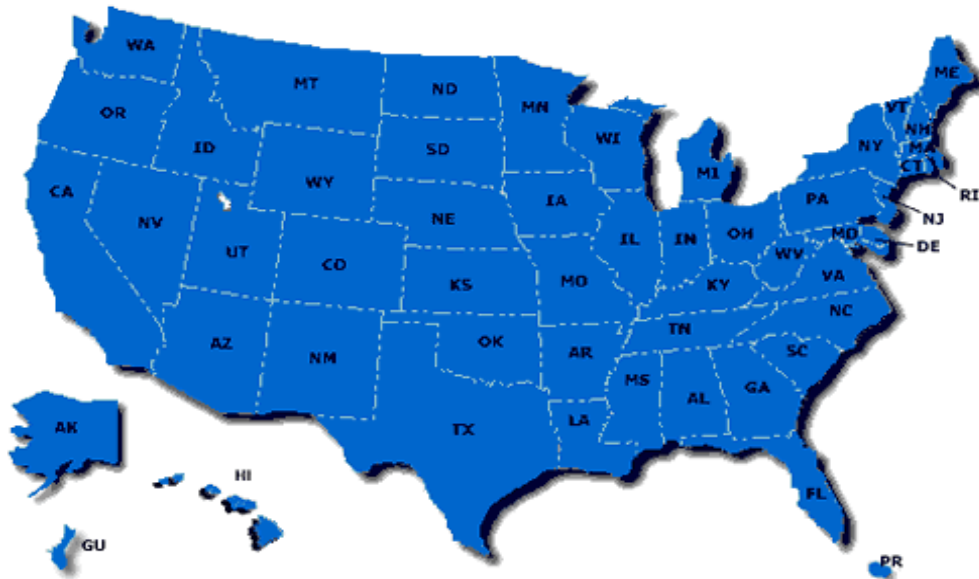
The Patriot Express Loan provides financial assistance for veterans and members of the military community who want to establish or expand small businesses. Your local SBA district office will have a listing of lenders in your area (800-827-5722).



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PROCUREMENT TECHNICAL ASSISTANCE CENTERS (PTACs)

(www.aptac-us.org/new) The Procurement Technical Assistance Centers help businesses seeking to compete successfully in federal, state and local government contracting. PTACs provide a range of expert services at little or no charge.



VET SUCCESS (www.vetsuccess.gov)

Vet Success provides resources for service members, veterans, and their family members to ensure a seamless transition from military to civilian life. Vet Success also helps employers find veterans for employment.

VET CENTERS (<http://www.vetcenter.va.gov>)

Vet Centers welcomes home war veterans with honor by providing quality readjustment counseling and other resources to support the war veterans.



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NATIONAL RESOURCE DIRECTORY

(www.nationalresourcedirectory.gov)

National Resource Directory is a website for connecting wounded warriors, Service Members, Veterans, and their families with those who support them.

"For their service and sacrifice, warm words of thanks from a grateful nation are more than warranted, but they aren't nearly enough. We also owe our veterans the care they were promised and the benefits that they have earned. We have a sacred trust with those who wear the uniform of the United States of America. It's a commitment that begins at enlistment, and it must never end. But we know that for too long, we've fallen short of meeting that commitment. Too many wounded warriors go without the care that they need. Too many veterans don't receive the support that they've earned. Too many who once wore our nation's uniform now sleep in our nation's streets."

-President Obama, March 19, 2009

JOINING FORCES ([HTTP://WWW.WHITEHOUSE.GOV/JOININGFORCES](http://www.whitehouse.gov/joiningforces)):

- Brings attention to the unique needs and strength of America's military families.
- Inspires, educates, and sparks action from all sectors of our society – citizens, communities, businesses, non-profits, faith based institutions, philanthropic organizations, and government - to ensure veterans and military families have the opportunities, resources, and support they have earned.
- Showcases the skills, experience, and dedication of America's veterans and military spouses to strengthen our nation's communities.
- Creates greater connections between the American public and the military.

SUPPORTING OUR VETERANS COMMUNITY AND THEIR FAMILIES